JOURNAL OF COMMERCE
Baltimore Port Gains Market Share on NY-NJ
Peter T. Leach, Senior Editor | Jul 30, 2013 5:19PM EDT

The Port of Baltimore is gaining market share on its big rival to the north, the Port of New York and New Jersey.

The gains are coming from its campaign to educate beneficial cargo owners in the Baltimore-Washington area about the cost benefits of importing through Baltimore rather than from New York.

“A lot of cargo that’s discharged in New York is trucked here to our consumer group which is the third-largest in the nation,” said Jim White, executive director of the Maryland Port Administration.

“We’ve been able to convince a lot of beneficial cargo owners that there’s no need to pay an additional $600 when they can bring their cargo directly to the Port of Baltimore and get it into one of the largest U.S. consumer groups at a lower cost while being environmentally responsible as well.”

Recent software snafus at Maher Terminals in Port Elizabeth, N.J., are also starting to cause some cargo diversion away from New York harbor. “We are only seeing a very small amount of diverted cargo,” White said. Diversions may increase in view of the warning Tuesday by Hapag-Lloyd that shippers should reroute cargo away from the port through mid-September.

Baltimore’s market share of all East Coast container traffic grew by 0.3 of a percentage point to reach 4.3 percent in the first quarter of this year, while that of New York dropped by 1.3 percentage points to a still whopping 32 percent.

“That gain was all in what we are moving by truck, because we won’t do very well in rail until we have double-stack,” White said. CSX is planning to build a new $90 million rail ramp that will handle double-stack trains by the first quarter of 2015. CSX is already in the process of acquiring land for the new intermodal terminal.

The facility at the Mount Clare train yard will allow the railroad to stack containers on trains from the port’s Seagirt Marine Terminal and maximize the railroad’s National Gateway initiative, the $900 million-plus project aimed at improving connections between the Midwest and Atlantic ports.

Baltimore’s total container volume increased by 4.34 percent to 695,000 20-foot-equivalent units in the fiscal year ended June 30. White attributed the growth to the MPA’s effort to reach out to beneficial cargo owners to convince them to route their cargo through the port, while past efforts have focused on carriers.

In addition, since Ports America completed the 50-foot berth and added four new super-post-Panamax cranes to its Seagirt terminal last year, Mediterranean Shipping Co.’s Golden Gate service has been bringing increased volumes of Asian cargo to the port aboard its 9,400-TEU ships via the Suez Canal. “Ships can come in deep and go out deep,” White said. “The real benefit to us will come down the line once some of the South Atlantic ports get their harbors dredged. Ships that could have taken on more cargo here were limited because they were going to Charleston with 42 feet of water. It limited what we could load on the export side.”